

CITY OF EAU CLAIRE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2005

NOTE 1 - REPORTING ENTITY

This report on Federal and State Awards includes the federal and state awards of the City of Eau Claire. The reporting entity for the City is based upon criteria established by the Governmental Accounting Standards Board (GASB).

The City is the primary government according to GASB criteria, while the Eau Claire Housing Authority (Housing Authority) is a component unit.

Federal and state awards received directly by the Housing Authority are included in this report.

The schedule includes only those programs required to be included in accordance with the *State Single Audit Guidelines*.

NOTE 2 - BASIS OF PRESENTATION

The accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for the other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines*.

NOTE 3 – DIRECT PAYMENT - WISCONSIN MEDICAL ASSISTANCE

The city received the following payments from Wisconsin Medical Assistance through EDS Federal Corporation in 2005:

	<u>Provider Number</u>	<u>Unaudited Amount</u>
City/County Health Department		
Reproductive Health	43102500	\$ 171,329
Prenatal Care	42141400	63,305
Total		<u>\$ 234,634</u>

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NOTE 4 – CARS REPORT DATES

The Schedule of Expenditures of Federal and State Awards includes adjustments through the following Community Aids Reporting System (CARS) report:

Agency Number	Expected Payment Date
256321	05/01/2006

NOTE 5 – ADJUSTMENTS COLUMN

The adjustment column was used to correct errors in the reporting of the accrued/(deferred) ending balance of the prior year.